



DISTRICT COUNCIL OF YORKE PENINSULA

**PARKS AND GARDENS
INFRASTRUCTURE ASSET
MANAGEMENT PLAN**

JULY 2011

GAYLER PROFESSIONAL ENGINEERING PTY LTD

21 Rundle Street Kent Town SA 5067

Ph: +61 8 8363 7795 Fax: +61 8 8363 9725

Email: rgayler@bigpond.com

Mobile: +61 417 861 952



CONTENTS

1. GENERAL
2. COMPLIANCE
3. INTRODUCTION
4. APPROACH TO TASK
5. LEVELS OF SERVICE
6. LIFECYCLE
7. RISK
8. FINANCIAL FORECASTS
9. IMPROVEMENTS TO THE PLAN
10. CONCLUSIONS

DISTRICT COUNCIL of YORKE PENINSULA

**PARKS AND GARDENS AND TRANSPORT
INFRASTRUCTURE ASSET MANAGEMENT PLAN**

JULY 2011



DISTRICT COUNCIL OF YORKE PENINSULA

PARKS AND GARDENS INFRASTRUCTURE ASSET MANAGEMENT PLAN

1. GENERAL

This Infrastructure Asset Management Plan has been developed with reference to the IPWEA methodologies, first-principles and through consultation with Council staff, in order to best-suit their particular preferences and needs.

2. COMPLIANCE

This document has been prepared in accordance with the requirements of Sec 122 of the Local Government Act 1999 by GPE Pty Ltd in consultation with Council's Parks and Gardens officers.

3. INTRODUCTION

3.1 WHAT THE IAMP DOES

A Council Infrastructure Asset Management Plan (IAMP) has many purposes in addition to meeting a statutory obligation.

It sets out to document three key elements, namely;-

- What service is to be provided?
- How is that service to be provided?
- What funds are required to provide the service?

3.2 SPECIFICS OF THE SERVICE

In this IAMP, the primary service delivered by Council is identified as;-

- Continuing with the existing asset stock, regardless of the geographical spread, the area per head of population, specific (unmet) needs, if any, "oversupply" if any, and general such measures of provision;
- Essentially the mowing, weed spraying, watering of grassed areas, minor maintenance of accesses, maintenance of garden beds, maintaining and resupplying public barbeque facilities, inspection of hazards and the like.

The above services are largely provided by Council staff and minor contractors.

Funding of the above services is provided through Council's general budget.

The IAMP supports and provides fundamental input to Council's long-term financial plans, in particular identifying the factors directly affecting financial sustainability.

This plan attempts to quantify the sustainability of Council's Parks and Gardens stock over both the medium and long term.

The Key determinants of Parks and Gardens sustainability are;-

- Preservation;- the costs of maintaining and renewing the asset
- Improvement;- the costs of upgrading existing assets
- Additions;- the costs of adding, maintaining and (eventually) replacing additional assets, eg, in growth areas, or as a result of changing community demands;- and
- Rationalisation;- managing the total asset base by divesting the community of excess assets

For the first edition of a Parks and Gardens IAMP for the District Council of Yorke Peninsula, the first and pre-eminent task is to determine the costs of **preserving** the existing asset.

Improvements, additions and rationalisation are not currently core business for Council in its management of its Parks and Gardens assets, as will be seen below in the draft Plan.

3.3 DC YORKE PENINSULA'S ASSET AND UNIQUE FEATURES; What's "in" and what's "out" of Council's portfolio?

DC Yorke Peninsula has within its boundaries over 100 individual land areas defined within this Asset Grouping across a geographically spread region. The individual Parks and Gardens range from grassed passive areas to highly-developed active recreational areas (playgrounds, ovals, memorial gardens, picnic areas, sporting grounds and the like.

A key differentiating factor in DC Yorke Peninsula's case (compared with many municipalities) in its Infrastructure Asset Management Planning needs for its Parks and Gardens is that ***the majority of its capital parks assets vest in sporting clubs, volunteer and community groups and incorporated bodies***, and entities which are responsible for the care, control and maintenance of their leased areas.

Council's financial and work load is limited to mowing, watering, replacing trees and shrubs, replacing softfall (a maintenance activity), and generally keeping an eye out for items which look like they need some attention (eg, hazards in playgrounds).

In theory, this relieves Council of the major cost burden of capital renewal, eg, replacing play equipment, replacing plaques, monuments, flagpoles, etc, or anything which has been fostered and partially funded by third party and community groups.

Later under Risk Management, the implications of "third party" responsibility is discussed, particularly due to the fact that the formality of arrangements with third parties is a crucial aspect of an Infrastructure Asset Management Plan (ie, who is really responsible? What liability does Council have for the condition, maintenance and renewal of such assets?)

This plan has been drafted as a first-cut basic Plan, to be refined over time as the formality of third-party agreements, and ongoing practices, is reviewed.

For the first cut, attempts have been made to limit the detailed data gathering and financial analysis to assets which do not appear to be the responsibility of any third party.

Consequently the following asset components have been omitted from the financial modelling in this document (although the data have been gathered for Council's own records);-

- Playground equipment and facilities;
- Structures (either dealt with under the Buildings IAMP, or not currently regarded as Council's responsibility); and
- Plaques, monuments, flagpoles, features, field placements (guns, display machinery and museum items, etc).

The following items have been ***included*** at this time, although they may be regarded in part as not being Council's responsibility;

- Roads in parks;
- Parking areas
- Seating
- Kerbing
- Fencing
- Paths
- BBQ's
- Bins and holders



- Entrances
- Garden borders and edgings
- Irrigation components

The distinction was not clear in many cases (as to which party is responsible for renewal and maintenance) so these have been costed in at this time, in full.

Their inclusion in the financial modelling assists Council to know the total commitment required for such asset renewals, irrespective of who pays.

Council's IAMP is also greatly simplified because it has a policy or practice that:-

- there are to be **no** additional parks or gardens allowed within the district, and none are required as a part of new residential developments. This is discussed later under Council policies and practices, and Level of Service.
- Improvements, if any, will generally comprise specific grant works through alliance with a third-party community group, with Council having only ad-hoc capital responsibility on a one-off basis, ie, no responsibility for future renewal of "improved" or additional components; and
- Rationalisation has yet to be addressed on a formal basis, but could reduce the overall financial burden of the asset, not increase it.

Note also that "soft" assets such as garden beds, plantings of all kinds (grasses, shrubs and trees), mulches and soils have been recorded for Council's records, but not included in renewal modelling, as they are all generally expensed and not capitalised.

4. APPROACH TO TASK: QUALIFICATIONS ON INFORMATION AND DATA SOURCES

GPE worked with Council staff to develop suitable forms and measures to record the basics of all asset components of the 100 or so individual parks.

Clear, unambiguous definition of parks assets is not an easy task, and requires time and experimentation for both Council and Council's advisors to develop a robust set of same, and a common comprehension of the variables associated with capturing the data (ie, consistent and repeatable condition assessment and scoring of the vast variety of components, materials, visual indicators etc).



The data base is also extensive and necessarily cumbersome, particularly in the interests of updating of information.

The forms were therefore designed in three sections, all included in the overall database from which the IAMP modelling has been drawn, namely;-

- General identification data including such items as CT and Folio, SA Water Meter number, street ident etc, and ownership/leases pertaining to the land;
- Soft asset data (size and number of garden beds, grassed area, passive area for weed and/or fire control, plantings etc); and
- Hard asset data, primarily relating to future cyclic maintenance and capital renewal needs

Council staff gathered the data over a period of months. GPE staff processed the data, sought additional and corrective input from Council, and added typical unit cost data to the described components. Continuous improvement will enhance the reliability of the modelling, particularly as Council staff add in their specific knowledge of local unit costs for each particular asset component. The data base itself, which is complex and multi-layered, will benefit from some improvement in structure and linkage to automate some of the calculations (for ease of updating).

It should be noted that the modelling in this Plan deals with **aggregated** figures and assessments at stock level, not individual segments of the Parks and Gardens stock. So the Renewal Schedules contained in the appendices comprise estimated gross renewal expenditure requirements for the ensuing years, not actual works programs. The latter can only be determined by reference to the detailed database, and by confirmation from field inspections or information from the usual sources (external providers, community members, safety auditors and the like).

It must be understood that the Infrastructure Asset Management Plan is **not** a Program of Works for individual components of the Parks and Gardens asset.

5. LEVELS OF SERVICE

5.1 Definition

Levels of Service are usually described in terms of

- Community
- Technical

- Risk

Levels of Service in this case relate primarily to the standard of presentation of the components of the asset which Council supplies, namely the grassed and planted areas.

Council has adopted (in practice, if not by resolution),

- frequency of mowing or slashing;
- frequency of watering; and
- annual weeding and (re)planting

as its principal determinant of Level of Service.

As Council is not seeking to change the levels of expenditure on these items, ***it is assumed until any move to the contrary that the cost, and level of service, are adequate for the communities' needs.***

5.2 Future Possibilities; Public consultation

At some point, Council may wish to describe the Level of Service provided by its Parks and Gardens assets in a formal manner, in a consultative manner with its communities. This may best be achieved through the Budget Papers.

5.3 Future Demand

As stated in the introduction, Council is not accepting any demand for expanded Parks and Gardens services.

6. LIFECYCLE PLAN

The financial modelling herein is aimed at identifying the whole-of-life cost of provision of the services identified in the Plan. As stated above, the current expenditure on operation and maintenance is not questioned in this edition of the Plan; rather it is assumed to be adequate measured against technical, community and risk targets or standards (partly inferred targets at this time).

The primary objective of the modelling is to raise Council's awareness of the embedded cost of the actual infrastructure in its Parks and Gardens, and the likely quantum and timing of renewal expenditure ***if the asset is to be retained.***

7. RISK

Risk associated with the delivery of the day-to-day operation and maintenance services is well covered by Council's adopted OHSW policy and practices.

However, an area of risk which would benefit from review is to determine precisely who is responsible for the myriad third-party assets on Council's Parks and Gardens lands. This is no doubt on the agenda for the Asset Coordinator in the future.

8. FINANCIAL FORECASTS

Nine separate asset subgroups have been costed and modelled over the next thirty years according to their observed condition, likely remaining life, and standard of replacement.

Each subgroup can be seen in the tabulation of Annual Combined Costs, with the key groups being presented also as graphs of necessary renewal expenditure for each of the next thirty years.

The graph of combined renewal expenditure need for all nine assets has also been included.

It should be noted that expenditure, in practice, will be smoothed out and averaged, and actual need will vary from the theoretical modelling on the basis of actual condition, actual ability of the maintaining authority to "make do" extend life through vigilant maintenance, or indeed to do away with a particular component.

The indicative results for the nine asset groups actually modelled shows that;

- Capital Renewal Expenditure required on average each year for the foreseeable future is in the vicinity of \$78,000 per annum, irrespective of who pays; and
- Over the long term, as the longer-lived assets come up for renewal, that figure increases to approximately \$113,000 per annum.

This compares with an approximate annual expenditure of **at least** 5% of the operating and maintenance budget of about \$900,000 on renewal works, ie, \$45,000 works carried out on renewal but which are not captured as capital expenditure. Council also has a small capital works budget which **may** be funded from general revenue, and some of the works identified in the table are no doubt not Council's formal responsibility. The combined effect of each factor means that the two figures (\$78,000 need compared with upwards of \$60,000 apparently available) are probably very close to each other.

The conclusion is that the current operation, maintenance and renewal of the Parks and Gardens asset is most likely sustainable, or within the desired 80% to 120% Sustainability Ratio.

9. IMPROVEMENTS TO THE PLAN

9.1 Data and Linkage to Council's Long Term Financial Plans

Parks and Gardens assets are difficult to define and assemble in repeatable, unambiguous terms. Also, DC Yorke Peninsula's needs are very different to the general Parks and Gardens databases available commercially, due to the limited services actually provided by Council, and the indeterminate Capital Renewal asset extent.

As these needs are defined more precisely, eg through careful linkage of asset information to clearly-defined third-party responsibilities, the shape and detail required of the database will be able to be refined, giving more reliable estimates of expenditure needs for inclusion in the LTFP's.

Council's appointment of a dedicated Asset Coordinator will expedite such matters.

Importantly, the systems and software can be tailored to the level of complexity, or ***simplicity***, necessitated by the circumstances.

Council has an obligation to review each IAMP within two years of each Council election. However, once statutory and audit obligations have been met, additional expenditure on data capture and modelling etc within the Plan needs to be weighed up against the additional benefits, if any, to Council and the community.

10. CONCLUSIONS

DC Yorke Peninsula appears to have a sustainable and well-managed Parks and Gardens asset.

Much of the success is attributable to the strong commitment of community and sporting groups and associations to look after their assets of interest themselves.



The required expenditure to retain the existing asset appears to be manageable, albeit the funding source and/or responsibility for some maintenance and renewal being unclear at this time, and worthy of clarification.

Some practices and policies appear to be traditional rather than formal or adopted ones. Council may wish to formalize those, eg, the non-provision of any additional or expanded Parks and Gardens.

Development of a comprehensive, unambiguous asset register would be a straightforward extension of the recent data formulation and capture exercise, subject to better agreement as to the precise identification and description of assets to be maintained by Council.

DATA SPREADSHEETS AND ASSET RENEWAL GRAPHS FOLLOW

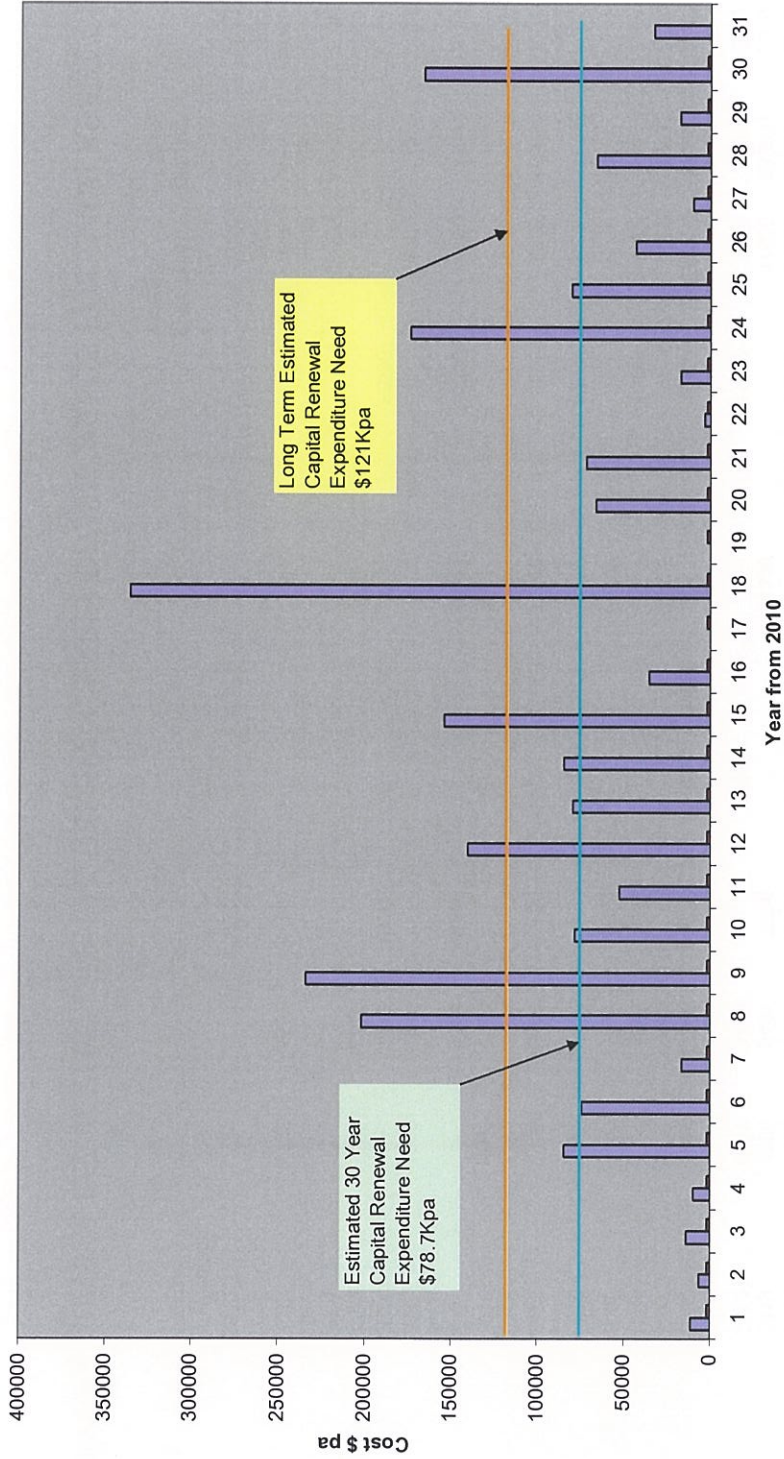


DC Yorke Peninsula	Parks and Gardens	Asset Summary
Asset Group	Current Replacement Cost	Average Annual Replacement Cost
Entrances	\$42,283	\$1,115
Fences	\$301,120	\$13,800
Garden Edgings	\$186,389	\$8,551
Irrigation	\$54,640	\$3,448
Kerbing	\$419,445	\$6,991
Parking Areas	\$836,388	\$26,581
Paths	\$948,900	\$21,586
Roads	\$237,370	\$9,587
Seating	\$463,724	\$29,834
Structures		Excluded
Play Equipment		Excluded
Plaques & Memorials		Excluded
TOTALS	\$3,490,259	\$121,493
	Asset Value	Depreciation Expense

LONG TERM AVERAGE CAPITAL RENEWAL EXPENDITURE REQUIREMENT ESTIMATES by ASSET CATEGORY



30 Year Capital Renewal Plan



30 YEAR GRAPHIC: ALL PARKS AND GARDENS ASSETS ESTIMATED CAPITAL RENEWAL EXPENDITURE NEEDS

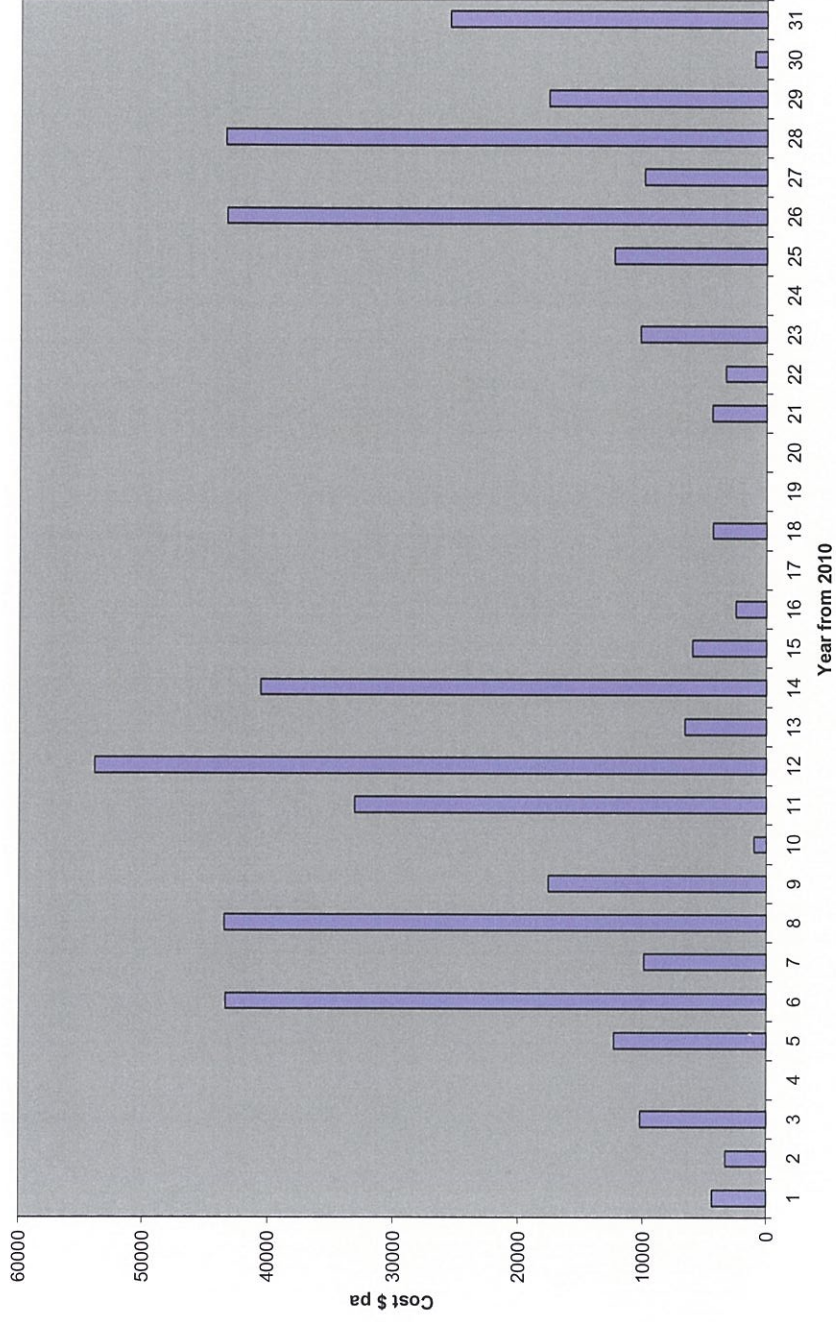


YEAR	Entrances	Fences	Garden and Edging	Irrigation	Kerbing	Parking Areas	Paths	Roads	Seating	TOTALS	YEAR
2011			1920	3120	1800				4400	11240	2011
2012	384		2728	2810					3300	6494	2012
2013		717							10200	13645	2013
2014		630		5960				3000		9590	2014
2015	1580	17120	6712	1140		45532			12300	84384	2015
2016	150	9367	14640	1260	5100				43400	73917	2016
2017		3600			3040				9900	16540	2017
2018	200	57489	62761	500		22664	14910		43500	202024	2018
2019	4800	9451	7796		194300				17600	233947	2019
2020	10217	4434		9940	1604	11177	41250		1000	78018	2020
2021		14044	3744					9000	33080	52472	2021
2022	1200	29206	4200	850	41905				53900	140261	2022
2023		17267			19125	36236			6600	79228	2023
2024		4565	5069				34380		40600	84614	2024
2025	680	4356	6045		95000	26276	15750		6000	154107	2025
2026				3200			29730		2500	35430	2026
2027										0	2027
2028	950	43448	3250	15200	17000	250246	152	1500	4350	336096	2028
2029										0	2029
2030	860	32930	4450	3200		26869	28962			65952	2030
2031		9180						26750	4400	71649	2031
2032									3300	3300	2032
2033	1500	340					5240		10200	17280	2033
2034		14088	12975		7905	126500		12500		173968	2034
2035	320	8320			26180		32959		12300	80079	2035
2036									43400	43400	2036
2037									9900	9900	2037
2038	4702	4597	140		12748				43500	65687	2038
2039									17600	17600	2039
2040			24935		67450		72828		1000	166213	2040
Unallocated				7460					25494	32954	
									30 Yr Total	2359989	
									Average	78666	

30 YEAR ANNUAL ESTIMATED CAPITAL RENEWAL EXPENDITURE NEEDS FOR EACH ASSET CATEGORY



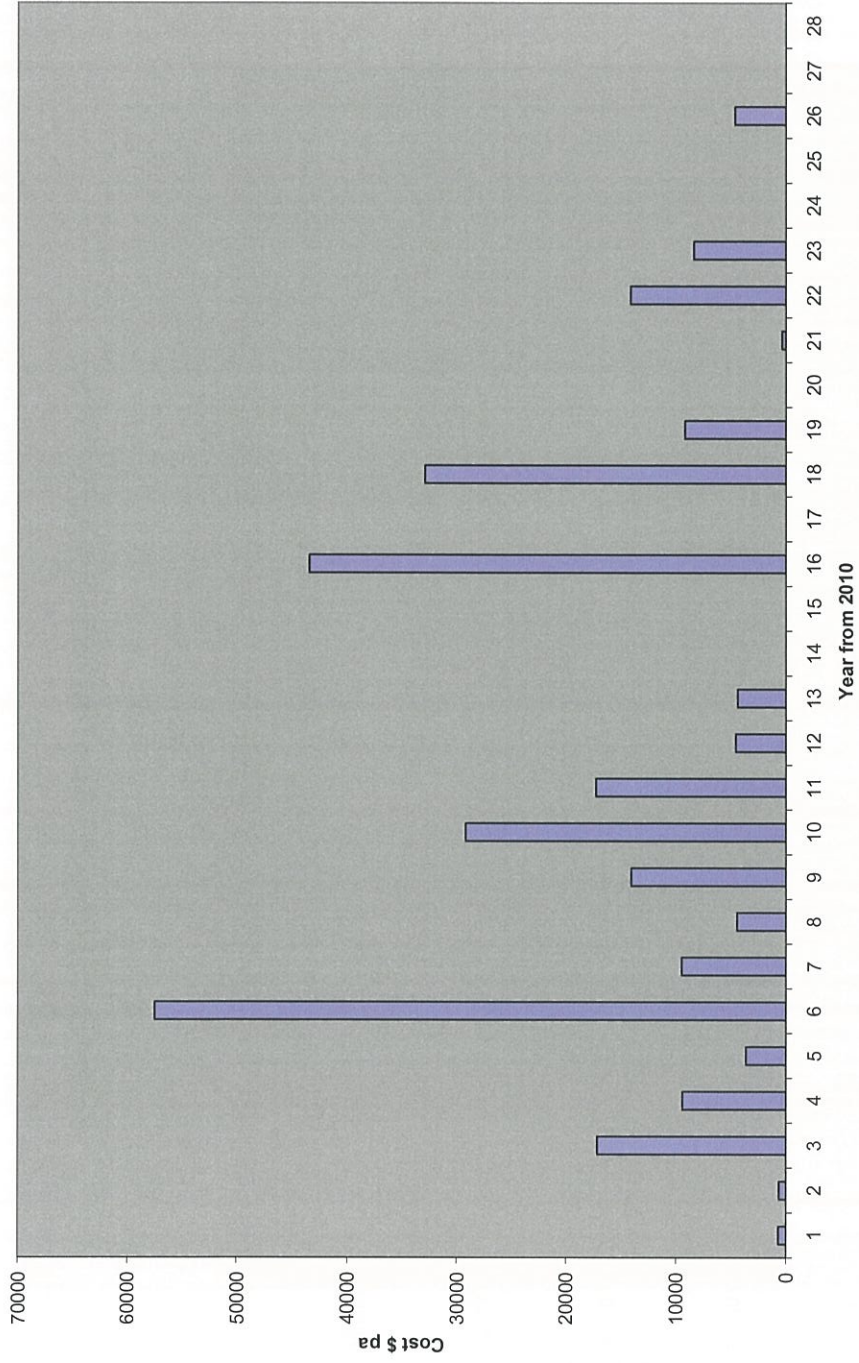
Seating Renewal Schedule



30 YEAR ESTIMATED SEATING RENEWAL COSTS



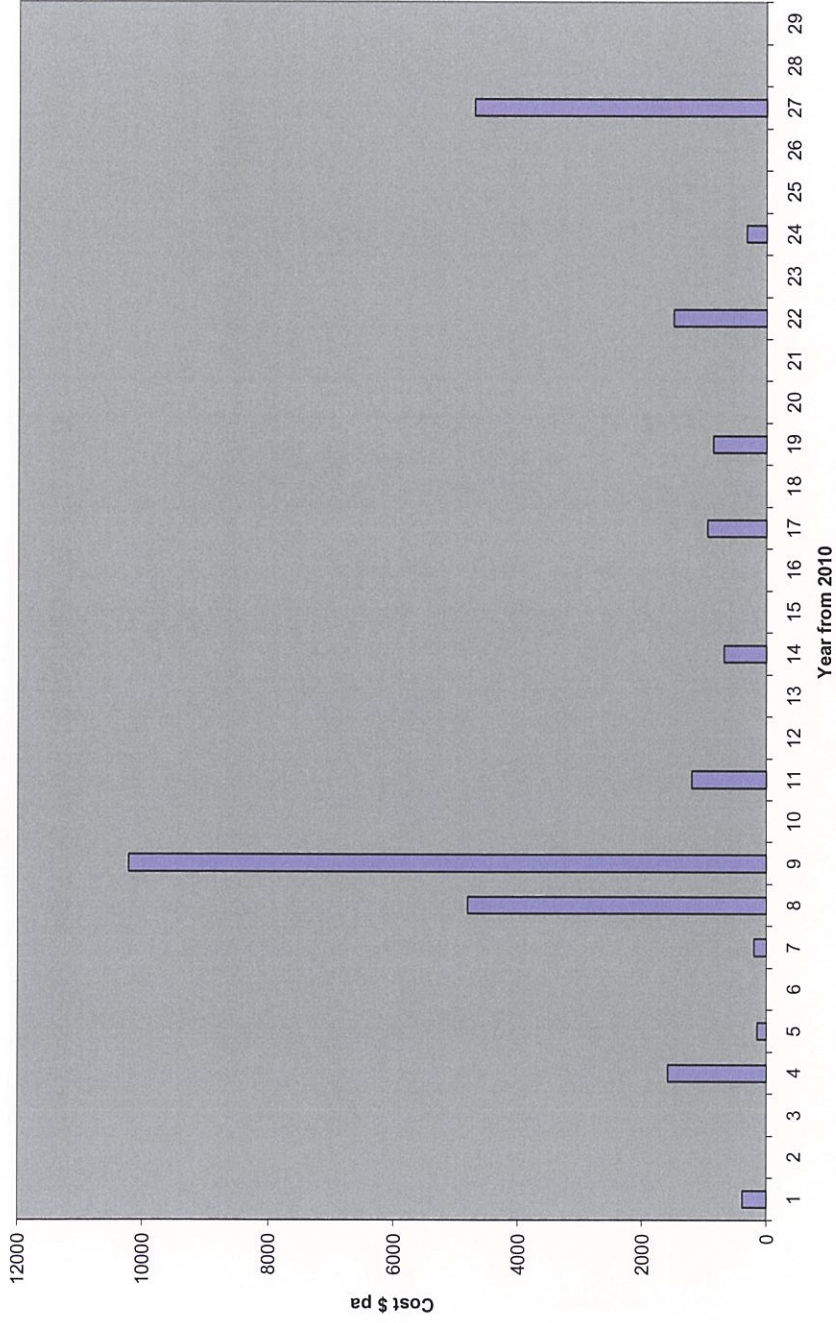
Fencing Capital Renewal Schedule



30 YEAR ESTIMATED FENCING RENEWAL COSTS



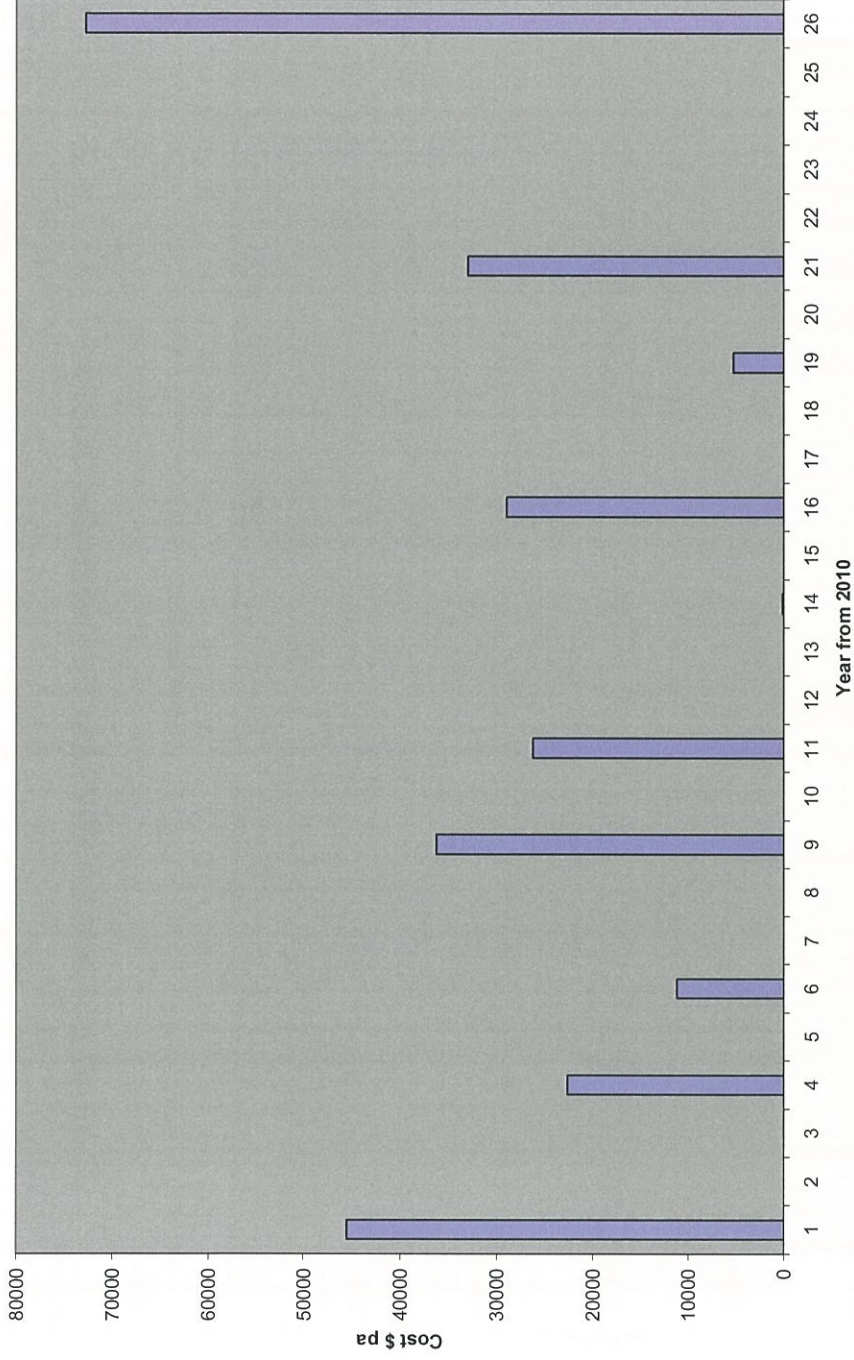
Entrances Capital Renewal Schedule



30 YEAR ESTIMATED ENTRANCES RENEWAL COSTS



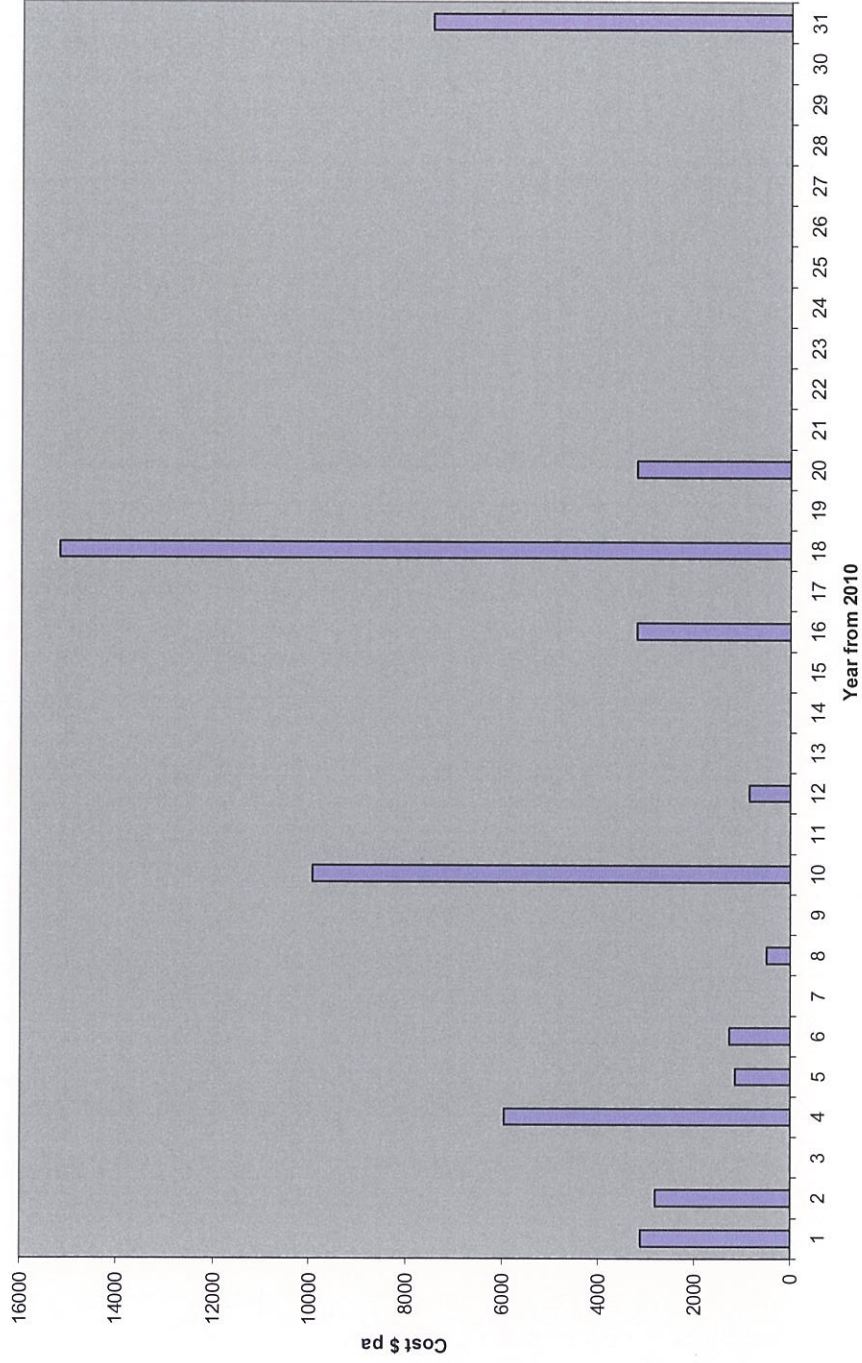
Parking Areas Renewal Schedule



30 YEAR ESTIMATED PATHS RENEWAL COSTS



Irrigation Capital Renewal Schedule



30 YEAR ESTIMATED IRRIGATION RENEWAL COSTS

